NEWS RELEASE

Businesses Are Investing in Technology to Improve Customer Experience, but Many Are Still Falling Short of Giving Customers What They Want

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Mitel Global Benchmark Study Reveals Gap Between Customer Expectations and Reality

- Two-thirds of respondents say more work is needed to improve the online experience
- Customer experience (CX) ratings vary by vertical with hospitality the clear leader
- More than half of respondents think machine-to-people interactions will improve CX

A new Mitel® (Nasdaq:MITL) (TSX:MNW) survey of 5,000 adults from the United States, UK, France, Germany and Australia indicates a measurable disconnect between the advancements organizations think they are making to deliver exceptional customer experience and how customers actually view their commercial interactions. Specifically, less than half of respondents believe the technology needed to deliver the perfect online buying experience is available. This stands in stark contrast to findings of a previous Mitel survey in which **90 percent of IT decision-makers** optimistically reported progress in improving customer experience through the use of technology.

While a clear sign of the growing pains associated with digital transformation initiatives underway globally, the new survey also uncovers an opportunity for technology to play a key role in defining and keeping pace with changing buyer behavior and preferences. In fact, over half of those surveyed believe machine-to-people interactions will

positively transform the customer experience, proving that less is sometimes more.

Vertical Visionaries, Leaders and Followers

As customer experience becomes increasingly critical for businesses to remain relevant and compete, Mitel's survey shows differences in customer satisfaction across vertical industries. Growing use of cloud communications and applications, combined with emerging technologies like the Internet of Things (IoT), artificial intelligence, chatbots, and natural language processing (NLP), are creating new ways for companies to nurture and build customer relationships. Winning companies will be those that are able to differentiate their brands by delivering seamless experiences across physical and digital environments, devices and channels. Currently, some segments are doing better than others.

Hospitality leads the charge providing a wake-up call to other industries:
Hospitality management knows the first stop on the itinerary for today's travelers are online review sites. Before booking a trip, consumers want to hear what others have to say. In fact, it's a near-universal activity. Given the impact reviews can have on average daily room rates, it's no surprise this industry takes customer satisfaction seriously, receiving top marks among those surveyed.
CX Recommendation: Continue earning a five-star rating with technology that streamlines employee workflow and anticipates each customer's desires. Consider using API integration to link property management, customer relationship management (CRM) and guest services applications for optimal staff productivity.

Physical retail isn't dead, but the customer experience is:
More than 60 percent of shopping done by respondents still takes place in a physical store, though that number is shifting. When asked about the challenges faced by today's brick-and-mortar retail outlets, three out of five respondents say the fact retail stores are struggling has more to do with the customer experience they provide, not products.
CX Recommendation: A seamless omnichannel approach is critical for this market, where roughly one-third of U.S. respondents, for example, note they make purchasing decisions based on the experiences brands provide versus the products and services offered. Chatbots can be used to manage simple tasks, while IoT and team collaboration tools open up new avenues for communications across media, whether it's voice, email, SMS, web chat, social media or a website.

Speed is the game in sports and entertainment:
In the fast-paced world of sports and entertainment, immediate and clear communication is a necessity. Forty-five percent of respondents point to simplicity and speed as the most important factor in a good customer service experience, with U.S. respondents more likely than other countries to also want personal assistance when making

purchasing decisions.
CX Recommendation: When every second counts, it's vital for these organizations to be able to quickly reach anyone from anywhere and relay information clearly. Mobile and contact center solutions can support teams, management and venues, keeping staff connected and enabling ticket office agents to quickly and easily access CRM systems to better serve fans.

Patience and patient engagement are key in healthcare:
Healthcare organizations receive the lowest marks from respondents in all countries when it comes to customer service. U.S. respondents, in particular, say communications and customized experiences are two of the most important features they look for from healthcare services.
CX Recommendation: Explore new options for patient communications like a mobile application to provide appointment reminders or help in finding treatment rooms. Equip staff to connect via smartphone or tablet, and integrate communications systems with healthcare information to ensure no part of a patient's stay slips through the cracks. When coupled with team collaboration solutions, workflow management software can also enhance customer service by ensuring information and requests are routed to the right person the first time.

Additional insights from the data indicate:

Bots, AI and machines can fill the customer service gap:
Consumers appear to be increasingly comfortable with machine-to-people interactions when shopping online. Over 80 percent of those surveyed said they are satisfied dealing with automated processes. Most do not want to interact with a person while shopping online unless the service is very complicated. Almost half of British, French and German consumers and nearly 60 percent of U.S. respondents say if they could shop without speaking to a person, it would be a good thing. Even so, physical retailers need to balance the use of technology. Consumers do expect people to efficiently help them when shopping in a physical storefront.

Mobile reigns supreme in the United States; Australia favors in-store:
Of all respondents, U.S. and Australian consumers shop most frequently during a typical week. There are also notable differences by country regarding how and where consumers shop. U.S. respondents reach for their smartphone and use apps; Britons like shopping online via their tablets; French shoppers most often use their laptops; Germans are more likely to use a desktop computer; and Australians prefer a physical store location.

Mitel's study is the latest in its Business Insights Survey Series, which builds on previous research from August 2017 where more than 75 percent of IT decision-makers said they planned to tie together devices, emerging

technologies, and communications and collaboration capabilities within two years to enable machine-to-people interactions to improve customer experience. This body of work expands on the concept established by Mitel in 2016 of **"Giving Machines a Voice"** to enable IoT and other machine triggers to launch real-time communications workflows that can improve how companies work and collaborate. Exploring a different angle, this survey examines how consumers view customer experience in shopping for goods and services across market segments, including retail, hospitality, sports and entertainment, health care, financial services and utilities.

For more results and a closer look at regional or country-specific data, **download the white paper.**

Quotes

"As physical and digital worlds begin to seamlessly intersect, how effectively a company serves its customers across both domains determines tomorrow's winners and losers," said Jon Brinton, Senior Vice President of Customer Experience Solutions at Mitel. "By supplementing existing applications and investments with new technologies such as AI, team collaboration and IoT, companies can better communicate and collaborate internally and externally and begin to proactively deliver the level of customer experience buyers expect."

"The data shows no matter where you are in the world, customer experience matters—bottom line," said survey administrator Regina Corso of Regina Corso Consulting. "In order to truly connect with customers on their own terms, organizations must look for new ways to balance technology investments with personalized customer service. Those that are able to navigate this balance will go on to build strong brand loyalty with their customers, helping them succeed in today's highly competitive purchasing environment."

Additional Facts

- Mitel has been recognized as a Leader in the **Gartner Magic Quadrant for Unified Communications** for four consecutive years.
- Synergy Research Group has confirmed Mitel's position as the **#2 unified communications as a service (UCaaS) vendor worldwide**.
- Mitel hosted cloud solutions are **trusted by more than one million global subscribers**.

Related Materials

- Download the "Customer Experience for Dummies" e-book.
- **Read** the guide on "5 Steps to Increase Revenue Through Customer Experience."
- Download the "Digital Transformation for Dummies" e-book.